



Managed Services vs. Staff Augmentation?

In the IT world, many companies find they need additional help or application specific expertise when it comes to deploying or updating technology, supporting business users or even filling a backlog of service requests. Often times, this help comes in one of two forms: Staff augmentation or Managed Services. “What’s the difference between these two options?” And more importantly, is one more beneficial for my organization than the other? Let’s take a look.

STAFF AUGMENTATION: NEW RESOURCES FOR A SHORT TERM ENGAGEMENT

Staff augmentation is when a service provider deploys a resource to join your IT team for a specific project. Typically with Staff Augmentation pricing is hourly, no defined scope so, the work is limited, and there are no contractual Service Level Agreements (SLA’s) for expected response/resolution. With this set up, your IT team continues to operate ‘business as usual’ with the added benefit of the new resource helping out your team (hence the name staff augmentation). Because of the hourly billing structure and quick deployment model, staff augmentation is a good fit for short term or specific engagements that have no direct impact on your organization’s existing operating model. You should be wary of using staff augmentation as a long term solution for operational issues, because, when used in this way, staff augmentation can cause staff to creep, which in turn leads to you investing in knowledge and capabilities for resources that are not on the payroll. When this happens, you’ll see a significant increase in investment and costs with diminishing returns. With Staff Augmentation the business owns the responsibility and risk of ensuring performance, availability and maintaining the application.

MANAGED SERVICES: SERVICE DELIVERY FOR THE LONG TERM

A Managed Services Provider (MSP) assumes complete responsibility for the execution and delivery of agreed upon services. The MSP commits to contractually agreed upon Service Level Agreements (SLA’s) so you can count on a certain level of service, term and scope and set pricing fee. The MSP also takes on the transitional responsibility of

on-boarding your application with documenting, defining process, escalation procedures, account and support management. With this model, your business gains access to a team of resources with a diverse skill set that you share with other organizations - so, now you have a village of knowledgeable experts. If your organization is global, then partnering with a MSP that has the ability to provide 24x7 global support should be important consideration. In this scenario, the MSP assumes the risk, investment of training and maintaining staff expertise. While the MSP does take control of the operational model, it also commits to delivering specific business outcomes that align with your needs. Additionally, all of the knowledge and documentation created by the provider ultimately belongs to your business for long term benefits of defined process and control.

Unlike staff augmentation, managed services is best fit for longer term relationships. This model is ideal when you can justify the investment in upfront knowledge transfer because you expect to maintain the partnership for a significant time period (3 years or longer).

MindStream **AppCare** Managed Services help organizations achieve better results by taking a strategic, flexible, and people approach to managing the complexity of your business analytic portfolio. Business stakeholders will be better informed about the applications that are foundational to running their business. **AppCare's** real-time insight and intelligence enables IT to see across the entire portfolio, spotting many potential issues well before the end users do, thus improving the availability of applications to make end users more productive.



The **AppCare** On-Boarding process ensures that your business analytic applications are managed for high availability, high performance utilizing the proven MindStream **AppCare** Tool-kit of custom developed and well defined set of processes, policies, procedures, standards and templates.

With MindStream **AppCare** organizations gain flexibility and cost benefits such as:

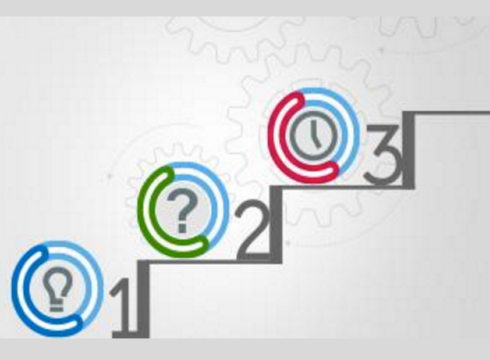
- Relieved of routine operation issues
- Team of certified solution application experts
- Focus on user satisfaction rather than transactions, by proactively working with your team to understand business needs and take appropriate action



- Process streamlining and standardization
- Service Level Agreements (SLA) driven with response/resolution metrics
- A structured approach to transition and manage applications
- Formal processes for governance, change management and communications
- Addressing scalability, resource efficiency, cost control by consolidating and rationalizing services, resource utilization and shift workload balancing, etc

Beyond flexibility and cost benefits, using MindStream **AppCare** Managed Services allows you to stay focused on where your business is going. MindStream has developed a three phased approach in transitioning your organization to the **AppCare** Managed Services model.

APPCARE THREE PHASED APPROACH TO ORGANIZATION TRANSFORMATION



Transition Phase	Utilizing AppCare Tool-kit on-boarding and activities of knowledge acquisition, due diligence, to defining/documenting process, escalation and various other procedures.
Transformation Phase	Gap analysis, identification and implementation of on-boarding components depending on requirements, base-lining KPI's and SLA's for metrics and measurement.
Continuous Improvement Phase	Best Practices – Business Results impact by AppCare Tool-kit, an integrated process to address the varied service challenges and continuous improvement mandated by the quality framework with baselined KPI's and SLA's

*'Worry-free IT, MindStream **AppCare** will managed the application while you manage the business.'*

ABOUT MINDSTREAM ANALYTICS

MindStream Analytics is a leading consulting and managed service provider for Business Analytic solutions. We are dedicated to driving business agility through insight. Today's information technology landscape is more complex than ever, and the cost to maintain it continues to climb. Our team of application management experts can help you overcome these challenges to improve application performance and achieve better business results.



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